

# Auto Repair News

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## Changing times means change in name for Bureau of Automotive Regulation

As of July 1, the activities and operations of the Bureau of Automotive Regulation (BAR) have been reorganized into the new Bureau of Regulatory Services (BRS), which is part of the Legal and Regulatory Affairs Administration.

As a result of the State of Michigan's Early Retirement Program, more than 8,000 state employees will be leaving state service by this fall. The impact will undoubtedly be felt in almost every part of state government, and the Bureau of Automotive Regulation is no exception. More than 200 Michigan Department of State (MDOS) employees will be retiring, including 14 from the Lansing office of the former BAR.

To compensate for the tremendous administrative loss resulting from the retirements, the MDOS has changed and consolidated many areas. The Bureau of Automotive Regulation was combined with

part of the Bureau of Driver Safety and the new name became Bureau of Regulatory Services.

Automotive Regulation activities are now in two new divisions: the Automotive Complaint Resolution Division and the Automotive Licensing Division. These divisions will continue to license repair facilities, mechanics, and auto dealers; and to investigate, mediate, and resolve complaints against these licensees.

The Department of State will continue to provide the same services to our licensees and customers as in the past. However, this will be a tremendous challenge to those remaining after the retirements. Fortunately, many dedicated and knowledgeable staff will remain to conduct business. No changes in telephone numbers or work hours are anticipated.



## About the Support and Parenting Time Enforcement Act, disciplinary actions

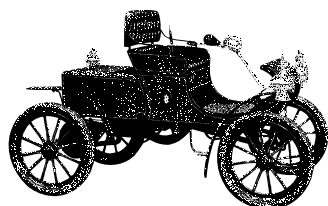
The Bureau of Regulatory Services (BRS) has received several questions about the violations of the Support and Parenting Time Act that were reported in the last issue's disciplinary actions (page 4).

The original Support and Parenting Time Enforcement Act (Public Act 295 of 1982) was amended by Public Act 239 of 1996. This amendment, which went into effect January 1, 1997, requires the Secretary of State to suspend the driver license and any occupational licenses of persons found by the Circuit Court and the Friend of the Court to be in arrears on child support payments or in violation of parenting time provisions for the non-custodial parent.

After following a legal procedure within the Friend of the Court and the Circuit Court, the Circuit Court judge can order the suspension of a driver license and any occupational licenses.

Mechanic and repair facility licenses are considered occupational licenses, and BRS must suspend these licenses when ordered to do so by the Circuit Court. Because suspensions are disciplinary actions, the Repair Act requires BRS to report them in this publication.

Only suspensions of currently certified mechanics, mechanic trainees, and repair facility owners are reported.



## Garage Keeper's Lien Act amended

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In March 2002 Governor Engler signed into law an amended Garage Keeper's Lien (GKL) Act. The amended law became effective on July 1, 2002, and is intended to improve the GKL process by benefiting both the customer and the repair facility owner.

The Garage Keeper's Lien Act provides an avenue for repair facility owners to collect delinquent repair bills when the vehicle remains in the possession of the garage keeper after repairs are completed. The law allows a repair facility to obtain ownership of the vehicle and sell it at a public auction in order to recover the cost of the repairs and storage charges. Unfortunately, under the previous law, a repair facility had a very short amount of time to apply for a GKL. Many repair facility owners waited too long and their applications were denied because they were unable to complete the process within the 120-day timeframe.

The amendments are the results of efforts by a number of organizations including the Bureau of Regulatory Services (BRS), the Automotive Service Councils of Michigan, banks, and auto dealer associations. Some of the more significant changes to the law include:

- **An increase in the number of days a repair facility can detain a vehicle.** The former requirements allowed a repair facility to detain a customer's vehicle for a maximum of 120 days. That required the entire GKL process to be completed within this timeframe. The new law extends the deadline to 225 days.

- **An increase in the number of days that a facility has to apply for a GKL.** Under the 120-day process a repair facility needed to apply for a GKL within 55 to 60 days from the date that repairs were completed. Under the new law, a garage owner has 105 days from the date repairs are completed to apply for a GKL. This allows more time for the facility and customer to work out a solution to the situation.

The old law required the repair facility to send a notice via certified mail to the owner, any lienholders, and BRS, giving the owner 45 days to make payment. The facility was then required to send a second notice to the same parties regarding the sale of the vehicle. The sale could not be held less than 20 or more than 60 days after expiration of the 45-day period.

Under the new law, the facility only needs to send one notice to the vehicle owner and to any lienholder. The certified notice must contain the following:

- **A statement giving the consumer 30 calendar days from the postmark date on the notice to make payment.**

- **A statement that all lienholders are being notified and have the right to satisfy the GKL and obtain possession of the vehicle.** The new law specifically precludes a prior lienholder from taking possession of the vehicle before the expiration of the 30-day time period the customer has to make payment. Under the old law, no such restriction applied.

- **A statement of daily storage fees, if any.** Under the new law, repair facilities are limited to a maximum of 120 days for storage at \$10 per day unless otherwise agreed to in writing with the customer.

- **A statement of the date, time, manner, and place that the vehicle will be sold.** The sale cannot be held less than 75 days after the date the GKL was issued. Previously, the facility had to wait 45 days after the first notice was mailed, then an additional 20 days before the sale could be conducted.

The new law also makes it a misdemeanor for a repair facility, or an agent of the repair facility, to knowingly make a false statement on an application for a GKL or on documents filed in support of the application. One of the problems BRS has noticed in the past is that occasionally a repair facility will intentionally alter the date that repairs were completed in order to apply for a GKL. The new law specifically addresses this issue by making it a crime.

Overall, the new law benefits both the repair facility and the customer. It gives both parties more time and flexibility to work out a solution before having to resort to the GKL process. However, once a facility does apply for a GKL, the new law is designed to streamline the process while insuring that all parties are clear on what is expected.



## Auto & Light Truck Brakes test updated

The new Automobile and Light Truck Brakes and Braking Systems test is now available to individuals wishing to become certified with the State of Michigan.

Mechanics required to recertify in the Automobile and Light Truck repair category of Brakes and Braking Systems before their certificate's expiration date in 2005 may take the test to update their brakes specialty category.

Mechanic tests are available at select Secretary of State offices. Contact the Licensing Section at (517) 373-9460 to inquire about a testing location near you, or visit the Department of State web site at: [www.michigan.gov/sos](http://www.michigan.gov/sos) for a complete list.

Mechanics wishing to recertify by completing approved training should contact the toll-free Mechanic Recertification Hotline at (888) 297-1324 or visit the web site above for information.

## Fax-on-Demand offers more options

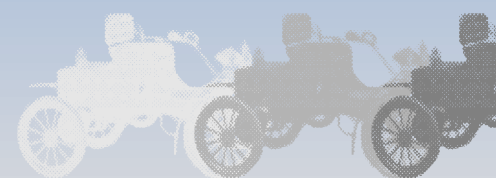
Fax-on-Demand is the fastest way to obtain Michigan Department of State forms and information by fax machine.

To use Fax-on-Demand, telephone (517) 335-4FAX (4329).

1. Place a call from any touch-tone telephone.
2. Follow the instructions on the recorded message.
3. Enter the telephone number of a fax machine you want to receive the forms or information.

Using the touch-tone telephone keypad, enter the document number of the form you are requesting at the voice prompt. You can order as many forms as you need.

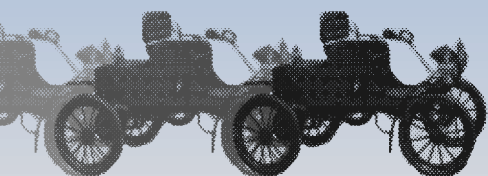
Fax-on-Demand offers more than 45 forms, including many relating to repair facilities and mechanics.



## Repair Facility Manual quiz: test your knowledge

Using your knowledge of the Motor Vehicle Service and Repair Act and your knowledge of the Repair Facility Manual, take this repair facility quiz. Answers to the questions, and where to reference the answer in the manual, are found on page 4.

1. The Motor Vehicle Service and Repair Act states a customer must sign a written estimate. True or False?
2. A repair facility can charge a customer any amount for shop supplies. True or False?
3. Replaced parts not returned to the customer must be kept by the facility for a minimum of two business days after the vehicle has been reclaimed by the customer. True or False?
4. A mechanic who diagnoses, repairs, or replaces components that affect the structural integrity of a unitized body vehicle must be certified in Unitized Body Structural Repair. True or False?
5. Preventive maintenance, diagnosis, and repair of gasoline engines in trucks over 10,000 pounds G.V.W. must be performed by mechanics certified in Heavy-duty Truck Gasoline Engine Repair. True or False?
6. A repair facility must maintain posted business hours and indicate those hours in its registration application. True or False?
7. Storage charges can be added to a repair bill if the customer does not reclaim his/her vehicle within a reasonable time. True or False?
8. A written invoice is not required to contain the facility registration number or a signed certification statement. True or False?



## Documenting revised estimates key in long-term restoration repairs

Paperwork! It never seems to end. In the automotive repair business, paperwork and documentation are more important now than ever before. This is especially true in repair transactions involving restoration of vintage vehicles.

A repair facility should document all communications with the customer, as this type of repair can take anywhere from several months to several years to complete. Quite often, the original estimate is just a starting point. As repairs progress, additional work is often discovered that will raise the cost of the total job.

The Michigan Motor Vehicle Service and Repair Act requires the customer's approval before the cost of repairs may exceed the last authorized amount by \$10 or 10 percent, whichever is less. Although the law does not require the facility to document when this authorization is received, it is a sound business practice to document any authorizations obtained from the customer.

It is best to document the authorization on the invoice/work order by noting the date and amount authorized, to whom you spoke, and by obtaining some proof such as a date of birth, middle name, or driver license number. Many times a customer will continue to authorize repairs without realizing what the total bill amounts to. This is especially true when the repair/restoration covers a long period of time and authorizations are obtained weeks or even months apart.

The customer may continue to authorize the repairs not realizing, or remembering, how much they have already authorized. Then, when the repairs are finished, they are hit with a final bill that immediately puts them into a state of shock. This can result in problems either with the customer not being able to pay for the repairs or feeling like they have been cheated.

The latter usually results in a complaint filed with the Bureau of Regulatory Services and a subsequent investigation. If you can show the customer the dates, times and amounts of repairs they authorized, it can help diffuse the situation. Additionally, if a complaint is filed, it helps the facility immensely if they can show, preferably on the invoice, when and for how much they received authorization for repairs.

Always discuss and note the total amount, not just the increased amount. For additional information regarding estimates, invoices and other requirements during repair transactions, refer to Chapters 4, 5, and 6 of the Repair Facility Manual.

If you do not have a copy of the manual, or have additional questions, you can contact the Repair Program Section at (517) 241-4134. The Repair Facility Manual is available on the Secretary of State web site, [www.michigan.gov/sos](http://www.michigan.gov/sos), as well as the publication, "Consumer's Guide to Vehicle Restoration."



## Use of Non-OEM aftermarket crash parts

Public Act 158 of 1991 is known as the "Aftermarket Crash Parts Act." This Act provides for certain disclosures with respect to the use of aftermarket crash parts in the repair of motor vehicles, and prescribes the powers and duties of repair facilities and installers with respect to the use of aftermarket crash parts.

The Act states that if an insurer requests the use of non-Original Equipment Manufacturer (OEM) aftermarket crash parts in the repair of an insured's motor vehicle, a repair facility or installer may use non-OEM aftermarket crash parts. However the insured must receive a written estimate of repairs that clearly identifies each non-OEM aftermarket crash part.

Additionally, the estimate must contain the following information, clearly indicated in no less than 10-point bold type:

"This estimate has been prepared based on the use of aftermarket crash parts supplied by a source other than the manufacturer of your motor vehicle. Warranties that apply to these replacement parts are provided by the manufacturer, distributor, or insurer of these parts."



## Repair Section disciplinary actions

Since the last issue of this publication (formerly *The B.A.R. News*), the bureau has taken disciplinary actions resulting in **two** repair facilities entering into probation agreements, **one** repair facility registration being suspended, **one** repair facility registration being revoked, **two** mechanics entering into probation agreements, and **four** mechanic licenses being suspended.

### Repair Shop Actions

The following repair facilities, charged with violations of the law, were given penalties as noted:

**Cottman Transmission (also doing business as Transcraft Transmission)** (F152534), 1435 N. Monroe, Monroe, revocation of license, \$2,675 restitution to consumers. **Charges:** violated the terms of a Probation Agreement; made either written or orally an untrue or misleading statement of a material fact; charged for repairs not performed; falsely represented that repairs were necessary; failed to honor an express warranty; failed to do repairs in promised or reasonable period of time.

**Greenfield Firestone Tire Service Center, Inc.** (F149999), 14170 Greenfield, Detroit, 24-month probation, \$3,450 penalty, \$883 restitution to consumers. **Charges:** falsely represented that repairs were necessary; charged for repairs not performed.

**Patco Enterprises, Inc. d/b/a Coppola's Collision Center** (F135418), 32440 W. 8 Mile Road, Farmington Hills, 24-month probation, \$1,035 penalty. **Charges:** failed to maintain records for required period of time;

charged for repairs not performed; failed to give a written invoice; failed to give a written estimate.

**Auto Body Experts** (F154621), 2221 S. Getty, Muskegon Heights, suspension of repair facility registration until Rescission Order received from court. **Charges:** non-compliance with the Support and Parenting Time Enforcement Act.

During the same time period, eight repair facilities signed Assurances of Discontinuance.

### Mechanic Actions

The following mechanics, charged with violations of the law, were given penalties as noted:

**William D. Alford** (M233667), 3326 Theodore, Wixom, suspension of mechanic certificate until Rescission Order received from court. **Charges:** non-compliance with the Support and Parenting Time Enforcement Act.

**Fouad Dabaja** (M161603), 6025 Campus, Dearborn Heights, 24-month probation, \$225 penalty. **Charges:** falsely represented that repairs were necessary; performed or inspected and approved repair service with expired certificate (2 counts); performed or inspected and approved repair service without proper mechanic certification (4 counts).

**Robert E. Hill** (M185479), 623 Jefferson St., Jackson, suspension of mechanic certificate until Rescission Order received from court. **Charges:** non-compliance with the Support and Parenting Time Enforcement Act.

### Answers to "Test your knowledge"

1. **False** – Chapter 4: Pre-Repair Requirements, Written Estimates (4-3.1)
2. **False** – Chapter 6: Post-Repair Requirements, Final Invoices (6-1.2 (e))
3. **True** – Chapter 6: Post-Repair Requirements, Replaced Parts (6-2.3)
4. **True** – Chapter 3: Body Shop, Certification (3-1.2)
5. **True** – Chapter 8: Motor Vehicle Mechanic Repair Categories, Heavy-Duty Trucks over 10,000 Pounds G.V.W. (8-3.1)
6. **True** – Chapter 1: Licensing Requirements, Business Hours (1-4.1)
7. **True** – Frequently Asked Questions, Storage Charges (Q-11)
8. **False** – Appendix E: Written Invoice (E-1)

**Kenny Moore** (M147511), 19666 Riverview, Detroit, 24-month probation.

**Charges:** performed or inspected and approved repair service without proper mechanic certification; performed or inspected and approved repair service with expired certificate.

**Dennis S. Pearo** (M226913), 3000 7th Street, Muskegon Heights, suspension of mechanic certificate until Rescission Order received from court. **Charges:** non-compliance with the Support and Parenting Time Enforcement Act.

**Justin L. Skop** (T233450), 8349 S. Ayr Road, Alanson, suspension of mechanic trainee permit until Rescission Order received from court. **Charges:** non-compliance with the Support and Parenting Time Enforcement Act.

During the same time period, five mechanics signed Assurances of Discontinuance.